

FISCAL NOTE

Bill #: SB0252

Title: Statutorily designate state air quality fees

Primary

Sponsor: Lorents Grosfield

Status: As Introduced

| | | | |
|-------------------|------|-----------------------------|------|
| Sponsor signature | Date | Dave Lewis, Budget Director | Date |
|-------------------|------|-----------------------------|------|

Fiscal Summary

| | <u>FY2000 Difference</u> | <u>FY2001 Difference</u> |
|--|-------------------------------------|-------------------------------------|
| Expenditures: | 0 | 0 |
| Revenue: | 0 | 0 |
| Net Impact on General Fund Balance: | 0 | 0 |

| <u>Yes</u> | <u>No</u> | | <u>Yes</u> | <u>No</u> | |
|-------------------|------------------|----------------------------------|-------------------|------------------|-------------------------------|
| | X | Significant Local Gov. Impact | | X | Technical Concerns |
| X | | Included in the Executive Budget | X | | Significant Long-Term Impacts |

Fiscal Analysis

ASSUMPTIONS:

1. This bill was introduced to codify in statute all existing air quality operating and open burning fees that are currently set by rule, and to adopt a simplified air quality permit application fee.
2. The bill is revenue neutral for all current air fees.
3. Existing operation fees contained in this bill reflect FY 1999 fee rates that are not adequate to fund the air quality program in the 2001 biennium. Companion bill SB 253 proposes changes to air quality operation fees sufficient to adequately fund the air quality program.
4. FY 1999 fees were artificially low because of abnormally large carryover funds from the previous year. There will not be sufficient carryover going into FY 2000 to support the current level program.

(continued)

5. If this bill passes and the companion air quality fee increase bill (SB 253) does not pass, the department's air quality program will have a 24% or \$484,518 shortfall from expenditures contained in the Executive Budget for the air quality program. (FY 1999 appropriation \$2,018,823; revenue of \$1,547, 277). The current appropriation funds 32.08 FTE; a 24% reduction would be 7.5 FTEs. All shortfalls will be taken from lower priority programs within the department.
6. If all air quality fee bills pass and are approved by the voters, there will be no shortfalls.
7. This fee increase would be approved by the electorate in a 1999 election pursuant to the requirements of CI-75.
8. The increased revenue would be effective July 1, 1999.
9. If this bill passes and the companion air quality fee bill (SB 253) does not pass, no "decision packages," as defined in the EPP process, can be funded by air quality fees, in addition to current level impacts identified below.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

None

LONG-RANGE IMPACTS:

1. This bill provides for simplification of the calculation of air quality application fees and would increase efficiency and timeliness of permit issuance.
2. Air quality fees cumulatively need to increase in the 2001 biennium to adequately support the program. DEQ has requested the introduction of four bills to accomplish necessary fee increases and codify existing fees. If the companion air quality fee bill (SB 253) does not pass, the resulting reduction in revenue caused by the passage of this bill could endanger primacy of delegated air quality programs and require elimination of lower priority department programs.